

THE MACHINISTS' STRIKE, 1901.

A PAPER BY
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THE MACHINISTS' STRIKE, 1901.

A NEW epoch in the controversies between labor and capital seemed to have been reached when on May 18, 1900, a national agreement was effected between the National Trades Association, representing the employers, and the International Association of Machinists, representing the men. This compact, known as the New York agreement, defined a machinist, fixed the rate of pay for overtime, the number of apprentices, employment and hours, and finally arranged for arbitrating all matters in dispute and dispensing with strikes and lockouts. In describing¹ this agreement a year ago the writer took a very optimistic view of the future of organization and the success of collective bargaining. Within less than a year, however, from the time of framing this admirable arrangement, it has been deliberately broken by one party, and subsequently declared null and void by the other. It seems worth while, therefore, to make a further study of this very interesting chapter in the history of trades unionism, and try to draw some conclusions as to the methods and future of wage bargaining.

The New York agreement had provided for the gradual reduction of hours by the following clause:

"Fifty-seven hours shall constitute a week's work from and after six months from the date of the final adoption of a joint agreement, and fifty-four hours shall constitute a week's work from and after twelve months from the date of the final adoption of a joint agreement. The hours to be divided as will best suit the convenience of the employer."

According to this, the nine and one-half hour day was to be inaugurated in all shops of members of the National Metal Trades Association on November 29, 1900, and the nine-hour day on May 29, 1901. Just previous to the former date a joint meeting of the executive officers of the two associations was held in New York City, at which their belief in arbitration was reiterated and

¹ In the YALE REVIEW, November, 1900, p. 302.

arrangements made for carrying out the provisions of the agreement with regard to the shorter working day. At the appointed time the nine and one-half hour day was introduced with but little friction in most of the shops, while many of them had already put it in force. At this meeting, on November 16, a joint resolution was passed which seemed to completely eliminate all fear of strikes and substitute arbitration therefor. It is important as indicating the attitude of both associations at this time, and is therefore given in full. The official organ of the machinists' union, when printing it, added this note in heavy type: "Now remember that this is the only way of adjusting grievances that may exist in National Metal Trade Association shops. Don't deviate in the slightest particular from the above formula, but follow it in letter and spirit."¹ The resolution follows:

RESOLUTION.

Copy of resolution adopted by the Administrative Council of the National Metal Trades Association and the Officers and Board of Trustees of the International Association of Machinists, in joint session at the Murray Hill Hotel, New York City, November 16th, 1900.

WHEREAS, In the joint agreement adopted by the Administrative Council of the National Metal Trades Association and the International Association of Machinists, it was agreed that all pending disputes, and disputes hereafter to arise between members of the respective organizations—that is, between an employer and his employé or employees—should be settled by arbitration, and,

WHEREAS, It was further agreed that, pending such arbitration, no strike or lockout should occur.

Be it resolved, That for the purpose of providing means by which the employer or employé may derive the benefits of this agreement, the following methods shall be pursued:

When a dispute shall arise between an employer and his employé or employees, every reasonable effort shall be made by the said parties to effect a satisfactory adjustment of the difficulty; and in case such difficulty cannot be settled between the employer and his employé or employees it shall be referred, on the part of the member of the National Metal Trades Association, to the

¹ *Monthly Journal, I. A. of M.*, March, 1901, p. 135. Cf. *ibid.*, Jan., 1901, p. 3.

chairman of the district in which he is located; and by the employé or employees, to such representative as he or they may select, who shall by all means in his or their power endeavor to adjust the difficulty to the satisfaction of both parties.

Should this committee fail to make such adjustment, then either party shall have the right to ask for a conference between the presidents of the two associations or their representatives. In the event of their being unable to adjust the differences satisfactorily, then it shall be referred to arbitration, as provided in the agreement of May 18th, 1900. The findings of this arbitration, by a majority vote, shall be considered as final as regards the case at issue.

Pending adjudication by arbitration there shall be no cessation of work at the instance of either party to the dispute.

During the winter the machinists started a general movement for the nine-hour day throughout the trade. As they had secured this concession from the members of the National Metal Trades Association, who comprised perhaps 25 per cent. of the employing machinists of the country, it seemed a favorable opportunity to force the independent employers to grant the shorter day also. As the agitation progressed there was coupled with this demand, another for an increase in wages. The New York agreement had been silent on this subject, and doubt arose as to how the clause relating to hours should be interpreted. Correspondence on this question continued through the spring between Mr. James O'Connell, president of the Machinists' union, and Mr. H. F. Devens, secretary of the employers' association. Finally, on April 16, the latter organization agreed to appoint an arbitration committee to meet a similar committee of union men, who should together interpret the disputed clauses of the agreement. To this Mr. O'Connell replied, in a letter of April 22, that inasmuch as the annual meeting of the International Association of Machinists would not occur until June 3, he was "of the opinion at this time that a conference would not be entirely satisfactory until after that date." He then concluded his letter with the following very specific statement of his plans:

"You are aware, of course, that we are making an effort to inaugurate the nine-hour day on May 20th, throughout the United States; also to bring about an increase of wages sufficient to

make up for the reduction in the hours. The wage question not being covered by our agreement, it is possible that some complications may arise between our local people and members of your association, owing to the fact that I have notified our local lodges that your association would not handle the wage question, claiming that was a matter entirely in the hands of your local members."

A joint meeting of representatives of both sides was, however, finally arranged for, which met in New York on May 11th. At this conference President O'Connell insisted that the wage question be arbitrated nationally, and threatened to call a general strike if this demand were not complied with. The manufacturers refused to arbitrate the wage issue on a national basis, declaring that the New York agreement provided for individual shop settlement of wage questions. As the union men would not accept this method, the conference broke up without result. On May 16th the executive committee of the machinists sent out a strike order for all men to lay down their tools on May 20th in all shops where employers would not sign an agreement for a nine-hour day and $12\frac{1}{2}$ per cent. increase in wages. The increase in wages was to offset the reduction in time, or in other words, they demanded ten hours pay for nine hours work. Accordingly on May 20th some 40,000 machinists struck throughout the country. As a matter of policy, the strike was confined to the shops of manufacturers; and railroad machinists were, as a rule, not involved, though the men on several lines joined in the strike. It was the intention to call them out later, but when the strike began to go against them the machinists abandoned that plan. At no time were machinists engaged in the government navy yards or other work involved, as they were already working on an eight-hour scale.¹

¹The following was the agreement submitted by the machinists to the manufacturers. It will be noted that demands 4 and 7 are new, as well as 2 and 6:

1. *Machinists*.—A machinist is classified as a competent general workman, competent floor hand, competent lathe hand, competent vise hand, competent planer hand, competent shaper hand, competent milling machine hand, competent slotting machine hand, competent die sinker, competent boring mill hand, competent tool maker and competent linotype hand.

The number of those who responded to the strike call was variously estimated, but it was probably about 40,000, and certainly never went above 50,000. The number fluctuated, as some of the original strikers returned to work under individual shop agreements, while new men were called out in several places. In the more important cities the men were reported out as follows: San Francisco, 6,500; New York, 3,000; Cincinnati, 3,000; Scranton, 3,000; Hartford, 2,000; Milwaukee, 1,600; Reading, 1,600; Boston, 1,500; Wilkes-Barré, 1,500; Philadelphia, 1,350; Cleveland, 1,200; Buffalo, 1,000; Plainfield, N. J., 1,000; Hamilton, O., 1,000. In many places the number of men who struck was small, either because the employers had already signed the agreement, conceding the increased pay with the nine-hour day, or because they did not belong to the union. Of the 150,000

2. *Hours*.—Nine hours shall constitute a day's work on and after May 20th, 1901.

(Note: This arrangement of hours is not to interfere in any way with shops where a less number of hours per day is already in operation.)

3. *Overtime*.—All overtime up to 12 o'clock midnight shall be paid for at the rate of not less than time and one-half time, and all overtime after 12 o'clock midnight, Sundays and legal holidays, shall be paid for at the rate of not less than double time.

(Note: The foregoing rates are not to interfere in any way with existing conditions; that is, where higher rates than above is paid, no reduction shall take place.)

4. *Night Gangs*.—All machinists employed on night gangs or shifts shall receive overtime in accordance with Section 3, for all hours worked over fifty-four (54) per week.

5. *Apprentices*.—There may be one apprentice for the shop and in addition not more than one apprentice to every five machinists. It is understood, that in shops where the ratio is more than the above, no change shall take place until the ratio has reduced itself to the proper number, by lapse or by the expiration of existing contracts.

6. *Wages*.—An increase of 12½ per cent over the present rates is hereby granted to take effect May 20th, 1901.

7. *Grievances*.—In a case of grievance arising the above firm agrees to receive a committee of their machinists to investigate and if possible adjust the same. If no adjustment is reached the case shall be referred to the above company and the representatives of the International Association of Machinists. If no satisfactory settlement can then be agreed upon, the whole subject matter shall be submitted to a board of arbitration consisting of five persons, two to be selected by the above Company, two by the above Lodge of the International Association of Machinists, and the four to choose a fifth arbiter, and the decision reached by this board is to be binding on both parties to this agreement.

machinists in the country the International Association of Machinists claimed a membership of 70,000; the number was probably nearer 50,000.

The calling of the strike in violation of the agreement to settle disputes by arbitration drew forth from the employers bitter accusations of bad faith on the part of the unions. The main question at issue seemed at first sight a simple one. The vital feature of the New York agreement, aside from the provision for arbitration, was the arrangement for a nine-hour working day. The question of wages was not mentioned in the agreement, and, according to the manufacturers,¹ it was purposely omitted, as it was considered a local question subject to various conditions, and not to be regulated by national action. Furthermore, the men had not observed the agreement even in the method of making their demands. This was clearly stated by Mr. P. W. Gates, President of the Chicago Association of Machinery Manufacturers:

"As to wages it was specifically understood by President O'Connell and the others at the New York meeting when the agreement was signed, that this was a question to be adjusted by each employer with his men. Under the agreement, the men at each shop must make a formal demand on their employer in case they want a readjustment of their wage-scale. If the employer and his men fail to agree on a scale, it is to be referred to the arbitration board of the International Association of Machinists and the National Metal Trades Association of that district, and in case of a disagreement in the district board it is to be referred to the national arbitration board. Any other procedure would be a violation of the New York agreement."²

The men, on the other hand, claimed that it was tacitly understood, if not expressed, that wages were to be increased to compensate for the shorter time; that it was foolish to suppose they would have demanded a nine-hour day if that meant a reduction in wages; that the wages question had never been made part of the agreement to arbitrate; that the men could not be expected to work at reduced pay pending arbitration; that local

¹ See letter of N. O. Nelson, in *Engineering Magazine*, July, 1901.

² Interview in the *Chicago Record-Herald*, May 17, 1901.

arbitration would in most cases place the workmen at a disadvantage with their more astute and resourceful employers; and, finally, that the New York agreement was only a scheme on the part of the employers to take the wage question out of the hands of the International Association of Machinists, and thereby disrupt it if possible. Statements¹ from two of the leaders in the strike will make clear their attitude. Mr. A. E. Holder, President of the Iowa State Federation of Labor, said: "I regard the National Metal Trades Association as an infantile affair. The New York agreement was on their part a plausible excuse to avoid making any definite or permanent arrangement. We do not care whether we ever do business with the National Metal Trades Association again. The word 'arbitration' as far as these men are concerned is a farce, and is only a subterfuge under which they act in accordance with their convenience or desires." And Mr. A. E. Ireland, business agent of the International Association of Machinists for Chicago, agreed in belittling the arbitration arrangement: "The vital principle of organized labor is for shorter hours and better wages. This campaign for a nine-hour day means more to us than all the other points in the New York agreement put together."²

It would seem from the foregoing that there were doubts—honest doubts, perhaps—as to what wages should be paid under the new nine-hour day, but that the New York agreement was framed unfairly there is not the slightest reason to suppose. While the question of wages was not therein decided, a method of settling this, or any other matter of dispute, was provided for.

¹ In *Chicago Record-Herald*, June 9, 1901.

² In the various addresses and statements during the strike President O'Connell also completely evaded the issue of repudiating the arrangement for arbitration, and wholly ignored the New York agreement. His public utterances were wholly misleading to those not otherwise informed on the subject. The following paragraph, from an address issued on May 17 to the craft of machinists, will suffice to illustrate this point:

Twelve months ago notice was served on the manufacturers of the United States that on Monday, May 20, 1901, the International Association of Machinists would demand a nine-hour day, and that if the demand was not granted, its members, and those in sympathy with them, would suspend labor until the demand was granted. We do not advocate a strike with all the attendant mistakes of the past, but merely a peaceful cessation of labor until we can start work on a nine-hour day basis.

The contention of the union that, because the question of wages was not specifically mentioned as one of the subjects to be arbitrated, it was therefore not meant to be settled in this way, was the merest quibble. From the beginning the manufacturers took the position that it was a purely local question and could not be decided nationally, a view with which President O'Connell apparently agreed in his letter of April 22.¹ Many of the employers claimed, moreover, that they had already increased wages considerably during the past year—in some cases as much as 18 per cent.—and that they could not stand a further increase of 12½ per cent. over the present rate.² To this the union replied that as these advances had been forced upon the manufacturers by the machinists, they should not be considered. As a matter of fact, most of the employers³ were willing to concede the nine-hour working day, many of them with an advance of wages over the previous rate per hour. But because the National Metal Trades Association was unwilling to enter into a national agreement on this point with the International Association of Machinists, the latter organization called the strike. In doing this they not only clearly violated an admirable agreement, but they acted unwisely in resorting to a strike before they had exhausted all means of peaceful settlement. The union thereby forfeited in large measure public sympathy and support from the very beginning of the struggle.

Contrary to the usual practice of unions when deliberately entering upon a long anticipated strike, and in marked contrast with the policy of the British engineers in 1897, the International Association of Machinists seems to have begun its struggle for the nine-hour day with very meager resources. The union men claimed to have \$40,000 in the treasury, besides an emergency fund of \$150,000, but as the strike benefits of \$4 and \$6 a week, payable after one week from the inauguration of the strike,⁴

¹ See above, p. 251.

² The Chicago manufacturers, at a meeting of the arbitration board at that city on May 29, offered to give the machinists an advance of 12½ per cent over the wage schedule of 1900. This the men refused. See *Hearst's Chicago American*, May 30, 1901.

³ Nine-tenths of them, according to the *American Machinist*, May 2, 1901.

⁴ Constitution, Art. VI, sec. 3. These benefits were not paid regularly, however, until a month after May 20.

amounted to over \$50,000 a week, this sum was clearly insufficient. Financial assistance was given the machinists by several other unions, as the painters, glass-blowers, building trades unions, and others. But most important was the support of the American Federation of Labor. This organization has each year made it a practice to support some one trade in a demand for a shorter working day, and for 1901 it promised to assist the machinists in their movement for a nine-hour day. Accordingly it contributed both money and services to the strikers. Assistance was also promised by the Amalgamated Association of Engineers of Great Britain. The men were for the most part, however, thrown upon their own resources.¹

Almost the only bright feature of the controversy was the general absence of violence on the part of the strikers. They were throughout orderly and well-behaved. The only important exception to this was an attack on the Farrel Foundry of Ansonia, Conn., on July 4 with fireworks, but the machinists claimed that this was done by outside sympathizers and not by their own members. The attitude of the courts may perhaps have contributed to the freedom from disorder, for in many places—Milwaukee, Cleveland, Cincinnati, Ansonia, Conn.,—resort was had by the employers to the courts for injunctions restraining the strikers from interfering with their business or with the workmen in their employ who were not participating in the strike. Some of these injunctions were of the most sweeping character, forbidding picketing, boycotting, congregating near the works, inducing non-union men to quit work, and in any way interfering with the free operation of the business.²

The calling of the strike by President O'Connell on May 20, in violation of the national agreement, aroused a spirit of bitter opposition on the part of the employers. As one of the manufacturers expressed it: "We have arrived at the point where we are tired of union dictation, and must make a stand against it."

¹ The machinists at work contributed fifty cents a week for the support of the strikers. Secretary Preston, of the I. A. of M., estimated that 75,000 men made these payments.—*New York Times*, July 11, 1901.

² Two of these injunctions are given in full in the *Monthly Journal I. A. of M.*, August, 1901, p. 525. Cf. also *American Machinist*, July 4, 1901.

A meeting of the Administrative Council of the National Metal Trades Association was finally held at Chicago on May 28, when the New York agreement was declared to have been rendered null and void by the strike, and to be no longer binding on the members. The abrogation of the agreement had most far-reaching effects, for it not only annulled the national recognition of the union, but left the manufacturers at liberty to go back to the ten-hour day if they saw fit to do so. It seemed as though everything that had been gained by both sides was now lost. A declaration of principles was adopted the next day, which will be seen to be much less liberal than the original agreement. It was as follows:

We, the members of the National Metal Trades Association, declare the following to be our principles, which shall govern us in our relations with our employés.

1. Since we, as employers, are responsible for the work turned out by our workmen, we must, therefore, have full discretion to designate the men we consider competent to perform the work and to determine the conditions under which that work shall be prosecuted. The question of the competency of the men being determined solely by us, and while disavowing any intention to interfere with the proper functions of labor organizations, we will not admit of any interference with the management of our business.

2. Disapproving absolutely of strikes and lockouts, the members of this association will not arbitrate any question with men on strike. Neither will this association countenance a lockout on any arbitrable question unless arbitration has failed.

3. *Employment*.—No discrimination will be made against any man because of his membership in any society or organization. Every workman who elects to work in a shop will be required to work peaceably and harmoniously with all his fellow employés.

4. *Apprentices, Helpers and Handymen*.—The number of apprentices, helpers and handymen to be employed will be determined solely by the employer.

5. *Methods and Wages*.—Employers shall be free to employ their work-people at wages mutually satisfactory. We will not permit employés to place any restriction on the management, methods or production of our shops, and will require a fair day's work for a fair day's pay.

Employés will be paid by the hourly rate, by premium system, piece work or contract, as the employer may elect.

6. It is the privilege of the employé to leave our employ whenever he sees fit and it is the privilege of the employer to discharge any workman when he sees fit.

7. The above principles being absolutely essential to the successful conduct of our business, they are not subject to arbitration.

In case of disagreement concerning matters not covered by the foregoing declaration, we advise our members to meet their employés, either individually or collectively, and endeavor to adjust the difficulty on a fair and equitable basis. In case of inability to reach a satisfactory adjustment, we advise that they submit the question to arbitration by a board composed of six persons, three to be chosen by the employer and three to be chosen by the employé or employés. In order to receive the benefits of arbitration, the employé or employés must continue in the service and under the orders of the employer pending a decision.

In case any member refuses to comply with this recommendation, he shall be denied the support of this association unless it shall approve the action of said member.

8. *Hours and Wages.*—Hours and wages being governed by local conditions, shall be arranged by the local associations in each district.

In the operation of piece work, premium plan or contract system now in force or to be extended or established in the future, this association will not countenance any conditions of wage which are not just, or which will not allow a workman of average efficiency to earn at least a fair wage.

Another meeting of the National Metal Trades Association was held in New York City on June 11, when the above resolution and declaration of principles were unanimously endorsed. A further statement was adopted defining the position of the association during the strike. Steps were also taken for carrying on an aggressive fight against the machinists who were still out on strike, by raising the treasury fund of the association to \$500,000. This was to be used to assist individual manufacturers to win and to make up any loss they might incur in the struggle through enforced shut-down or extra expenses for non-union men.¹ At this meeting the membership of the association was almost

¹ "During the foundry strike at Cleveland, bonuses of \$4 a day were paid to non-union men, in addition to their regular wages. In all about \$116,000 was spent in this way." Statement of W. J. Chalmers, in *New York Times*, June 13, 1901.

doubled; 157 new firms enrolled as members, of whom 114 were from the Pacific Coast. This made a total of 320 firms, all of whom pledged themselves anew to fight the demands of the machinists.

In commenting upon this action of the employers, the *Monthly Journal* of the International Association of Machinists, the official organ of the unions, said: "From the above it will be seen that the fight is not so much against a shorter working day as it is against the International Association of Machinists. In its broadest sense it is a defiance—in bold language—of every principle for which organized labor stands, and means that labor has little to hope for if it surrenders itself into their hands. Without warning, and without notice to our organization, they abrogated every agreement and defined a line of action that denies us the right of existence, and declares our association a nonentity. Without waste of words they declare a war of extermination. They invoke a struggle and declare a class enmity in which the victor shall survive and the vanquished shall perish."¹

The International Association of Machinists held its annual convention in Toronto early in June and, as was expected, took action upon the existing machinists' strike. On June 8 the following resolution was unanimously adopted:

"Whereas, the officials of the National Metal Trades Association have declared war upon the International Association of Machinists and defiance to and repudiation of every principle for which that Association stands; and have stated their reasons for so doing is that our international body, through its officials, has violated the agreement entered into with the National Metal Trades Association on May 18, 1900, by refusing to arbitrate the question of wages when the nine-hour day went into effect, and

Whereas, seeing that the question is not mentioned in the said agreement, and that certain officials of the National Metal Trades Association and other members of that body have put the nine-hour schedule into effect in accordance therewith, and made no reduction in pay, it is but fair to assume that by implication and in spirit no reduction was intended, and

Whereas, the International Association of Machinists, through its President, did all that could be done with honor to get a

¹ *Monthly Journal I. A. of M.*, July, 1901, p. 441.

satisfactory adjustment by pacific means, offering to accept any decision reached by an arbitration that would cover the question nationally, and

Whereas, the said efforts proving futile, and the proffered offer of peace being brutally refused, be it therefore

Resolved, That we, the delegates assembled at the Ninth Convention of the International Association of Machinists, after due and mature deliberation, and in the name of the membership that we represent, do hereby accept the challenge forced upon us by the National Metal Trades Association, and in accepting this declaration of war we fully realize what it means, but, armed with the knowledge that our cause is just, as our efforts are honest, we cheerfully pick up the gauntlet and hurl back the defiance, with this addition: If it is to be war, let it be war to the knife, and the knife to the hilt, for we will never accept any modification of our demands, or resume labor until the holy cause for which we struggle is triumphant and the shorter working day is an accomplished fact, monumental to the cohesive power and coöperative effort of the International Association of Machinists."¹

During the next month there was comparative quiet in the strike circles. Many of the strikers returned to work, in most cases on the employers' terms, though in some instances they secured their demands, so that by July 1 only about 10,000 men were still out. This number decreased slowly but steadily during the rest of the summer. Many of the manufacturers took advantage of the opportunity given them by the abrogation of the national agreement to make individual settlements with their men. President O'Connell stated that the machinists had won their fight "for a nine-hour day and an increase in wages" in 75 per cent. of the shops involved, compromised in 15, and lost in 10.² Even if these figures were correct, they do not convey a true idea of the situation, for the men won as a rule in the small shops and lost in the large ones. But they are undoubtedly exaggerated. A number of firms made a reduction in the hours of labor—had already done so before the strike—but very few

¹ *Monthly Journal I. A. of M.*, July, 1901, p. 441. The resolution is quoted *verbatim*.

² *Monthly Journal I. A. of M.*, August, 1901, p. 527.

paid the 12½ per cent. advance in wages which was demanded.¹ By the end of July the strike leaders themselves were advising the men not to press the question of wages, but to return to work if they could get the nine-hour workday.² In many places there was much bitterness expressed against the leaders who ordered the strike, the men claiming that they had been deceived both as to the status of affairs between the two associations before the strike, and as to the support, pecuniary and other, that the strike would command from other labor organizations. In Buffalo, N. Y., Richmond, Va., and other places, there was open revolt by the unions, and in the former city withdrawal from the National Association.³ The general feeling was that the course of the leaders, both in the calling and the conduct of the strike, had not been such as to command the support of either the outside public or even their own members, and that they had made distinctly a losing fight.

Although the original provision for arbitration had been violated by the strike, attempts were not lacking during its continuance to settle the dispute amicably. Several meetings of the joint arbitration boards of the two associations were held in New York and Chicago, but in no case was an agreement reached. Two propositions to arbitrate were made by President O'Connell through the National Civic Federation—one for a general settlement by a return to work on the nine-hour day basis with local settlement of wages-rate by arbitration, the other for a settlement in the New York district on practically the same terms.⁴ Both

¹ The writer examined a list of replies by members of the National Metal Trades Association to just these questions, and of 100 firms taken at random only 6 had made an advance in wages, though a number had reduced the hours of labor. Probably a greater proportion of those outside this association granted the machinists' demands, however, than did the members.

² *New York Times*, July 19, 1901.

³ See *American Machinist*, July 11; *New York Sun*, July 14; *New York Tribune*, August 8, 1901.

⁴ The following were the terms of the general proposition submitted by Mr. R. M. Easley, Secretary of the National Civic Federation:

1. The question of wages to be arbitrated by districts, the arbitration board to be composed of three parties from each side, and an umpire to be mutually agreed upon by the arbitration board.

2. All machinists on strike to be reinstated, without prejudice, to their former positions pending the settlement by arbitration.

of them were declined by the National Metal Trades Association. As these terms were the same as were contended for at the beginning of the strike by the employers, their refusal to grant them at this time when offered by the men showed that they considered the situation had been wholly changed by the strike and subsequent events. It was evident that they had made up their minds to seize this opportunity to free themselves from union dictation, and would refuse to treat further with the International Association of Machinists as a national organization. They had found it impossible to "place any faith in the responsibility of the Machinists' Union,"¹ and would henceforth seek only individual treaty with the men.

Even the hasty and imperfect sketch here given of the chief events in the machinists' strike suggests some important questions, which are even more fundamental than the method of the strike itself. Was there any economic justification for the movement for a shorter workday with higher wages? What effect will the actual conduct of this strike have on the future of organization and of arbitration?

During the past fifteen years very profound changes have occurred in the machinists' business, owing to the introduction of improved machinery and better organization.² The productive power of labor has thereby been greatly increased, and much more is now turned out in a ten-hour day than was formerly possible under the old eleven- and twelve-hour workday. The saving which has thereby been effected in the cost of machine construction has gone to reduce the price of the finished article, and has been gained almost entirely by the consumer. In other

3. The hours of labor shall be fifty-four hours per week, which is not submitted for arbitration.

4. The award of the arbitration board to date back to the time the men returned to work.

5. Articles of agreement shall be signed by both sides agreeing to the above basis of arbitration.

6. The above basis for a settlement of the present strike shall not apply to firms, members of the National Metal Trades Association, or others with whom we have made settlements.

¹ See Statement issued by National Metal Trades Association, June 11, 1901.

² Cf. *American Machinist*, April 18 and May 2, 1901.

words, it has gone, not to those who build machinery or sell it, but to those who buy and use it. The men claim that they, on the other hand, have profited little by these improvements, except for the shortening of the workday. But this has been a general movement, and has in fact not proceeded so far in the machinists' trade as in most other lines. They argue, therefore, and not unjustly, that they should share in the benefit of improvements; that a part, if not all, of the gain resulting from improved methods and machinery should go to them in the form of higher wages or shorter hours rather than to customers in reduced prices or greatly improved machines at the same price. Probably many of the employers would be glad to concede the demand of the unions if they felt they could safely do so.

But in a highly competitive business like the machinist's, there is always a strong pressure to secure wider markets by lowering prices as rapidly as the lessened cost of production will permit. This is especially true when the competition becomes international. The demand for higher wages, on the other hand, is usually spasmodic and generally easier to resist. It is, therefore, not so much their employers that the men contend with when they strike for shorter hours or better pay as it is with conditions that they themselves have helped to create. They must accept the conditions as they exist and adjust their present demands to them, seeking if they will to secure for themselves the gain resulting from future improvements. Yet even here they must reckon with industrial forces wholly without their control. These the British engineers attempted to ignore in 1897, and they were defeated, not because they failed in organization, but because the economic forces were too strong for them. It was really a victory for the consumer, not merely for the manufacturer. Viewed from this standpoint, the failure of the American machinists' strike in 1901 is only another illustration of the fact that trade conditions are more potent factors in determining wages than the demand of a union, however strong. Such a demand is successful only if it is economically expedient. The demand of the machinists for a universal increase in wages to accompany the nine-hour day did not sufficiently take into account the varying conditions of production in different parts of the country, and

consequently met with firm resistance from the employers. Eventually the men will undoubtedly secure all they asked for and more too, but the present movement was injudiciously inaugurated and unwisely managed.

But the claim is made by many that by shortening the workday to nine hours production will not be materially lessened, and that the men will turn out in nine hours as much as they formerly did in ten. In proof of this position they point to the gain resulting from the change from a twelve- and eleven-hour workday to ten hours. It may be said in answer that the point of maximum efficiency cannot be determined *a priori* and can only be proved by experiment. One thing seems highly probable and is abundantly proved by experience under the premium plan: owing to the restrictions placed on output by most of the unions, the men could easily turn out as much in nine hours as they now do in ten, *if they would*. However, this claim is offset by the other argument of the machinists, that the introduction of a nine-hour day will give employment to more men, and thus reduce the number of idle men, whose efforts to secure places tend to depress wages.¹

If then, as seems likely, the introduction of a nine-hour day will increase the—initial, at least—cost of machine construction, the difficulties are greatly enhanced. It would, of course, be comparatively simple if all manufacturers would agree to it at the same time. But the impossibility of securing complete unanimity of action is not an insuperable objection to such a movement, as the same condition has been confronted at every proposed shortening of hours or raising of wages. The ideal thing, perhaps, would be for both sides to be so organized as to control the situation, and then agree to divide the results of improvements. With a strong organization on each side and a thorough understanding between them, it would not be difficult to secure good conditions. Regarded from this point of view the sacrifice by the machinists' union of a national agreement with

¹ Cf. statements made by President O'Connell in a speech made at Bridgeport, Conn., last March, and quoted in the *Monthly Journal, I. A. of M.*, April, 1901, p. 199-200: "There are 150,000 machinists in this country, and an hour taken off their day's labor would give employment to 16,666 more machinists." "One trouble with the machinists is that they are too fond of work, and one great object of the trade union is to equalize work."

the employers' association, even at the gain of all their other demands, was a long step backward.

A year ago the agreement between the National Metal Trades Association and the International Association of Machinists, following closely on the national agreement of the British engineering masters and workmen in 1898, was hailed as a substantial gain in the advance toward a better trade organization, and in the substitution of arbitration for strikes and lockouts. The violation and abrogation of this agreement, while discouraging, do not really weaken the argument for association or adjustment of difficulties by mutual agreement.¹ They do show, however, that there is still much for the unions to do before they can be successful, in educating their members to sounder ideas of right and wrong, and of true political economy, but above all in instilling in their officers and members the sense of responsibility, so that an agreement once made by the union will have all the force of a contract with the individual men comprising it.² The labor union, in its present form, is not a very responsible organization, and shows too great a willingness to evade the obligations which must necessarily govern all commercial transactions to inspire a very strong feeling of confidence. The benefits of organization can be secured only by wise leadership, conservative action, and a high sense of business honor in holding inviolable all agreements and contracts when once they are made. For the present, as one manufacturer expressed it, "the disputants are only going through the kindergarten stage of industrial adjustment. They have yet to learn that chips on shoulders, lockouts, and strikes do not pay and settle nothing. What they cost is gone forever and a sore spot remains."³

The writer believes that the outcome of the present labor disputes, of which the machinists' strike is but one among many, will be the repudiation of the radical, irresponsible, and self-seeking labor leader, who to-day too generally is in control of the unions;

¹ Cf. *The Engineering Magazine*, August, 1901, p. 749.

² The refusal of some of the western unions among the steel workers to obey President Shaffer's general strike order, because they had already made agreements, seems to indicate a growing feeling of responsibility, although it may be indicative merely of very high wages.

³ Mr. N. O. Nelson, in *Engineering Magazine*, July, 1901.

that these will become less and less a striking machine, and that more and more the policy of arbitration will be substituted for that of force. The right of organization on either side must be recognized, and the two organizations must learn to cease trying to hurt each other, and try to be mutually helpful. It is not an easy task. Many difficulties are present in the lack of intelligence and of sympathy, in the mutual distrust, and in the want of responsibility. Probably the knowledge of how they can help each other will have to be obtained through experience in hurting each other. But eventually we shall without doubt secure more stable industrial conditions through these very struggles, and with a growing recognition of the necessity of substituting arbitration for strikes and lockouts, attain to "a more perfect state."

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